

Message Text

CONFIDENTIAL

PAGE 01 LONDON 09486 01 OF 02 251759Z

51

ACTION EUR-25

INFO OCT-01 EA-11 ISO-00 SAJ-01 AEC-11 AID-20 CEA-02

CIAE-00 CIEP-03 COME-00 DODE-00 EB-11 FEAE-00 FPC-01

H-03 INR-11 INT-08 L-03 NSAE-00 NSC-07 OMB-01 PM-07

RSC-01 SAM-01 SCI-06 SP-03 SS-20 STR-08 TRSE-00

FRB-03 LAB-06 SIL-01 PA-04 PRS-01 USIA-15 AGR-20

DRC-01 /216 W

----- 121275

R 251750Z JUL 74

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 2498

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LUXEMBOURG

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

AMEMBASSY TOKYO

USMISSION EC BRUSSELS

USMISSION OECD PARIS

C O N F I D E N T I A L SECTION 01 OF 02 LONDON 09486

E.O. 11652: XGDS-1

TAGS: ENRG, EEC, UK

SUBJECT: UK VIEW OF THE JULY 23 EC COUNCIL DISCUSSION
OF ENERGY STRATEGY

REF: EC BRUSSELS 5528

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 09486 01 OF 02 251759Z

BEGIN SUMMARY: ACCORDING TO AN FCO OFFICIAL, THE BRITISH

WERE QUITE PREPARED TO HAVE THE EC COUNCIL ADOPT A RESOLUTION ON A COMMON ENERGY POLICY AT ITS JULY 23 MEETING. SOME OF THE LANGUAGE IN THE COMMISSION'S DRAFT CAUSED PROBLEMS FOR THE UK. THIS INVOLVED THE EXTENT TO WHICH THE COMMUNITY WAS OBLIGED TO SPEAK WITH A SINGLE VOICE ON ENERGY, AND THE DEGREE TO WHICH A COMMON ENERGY POLICY MIGHT EXTEND THE COMMUNITY'S POWERS. THE BRITISH WERE PREPARED TO MAKE COMPROMISES ON LANGUAGE, HOWEVER, AND THEY CONSIDER THAT THE COUNCIL'S FAILURE TO AGREE ON A TEXT WAS UNFORTUNATE AND UNNECESSARY. OUR SOURCE ACKNOWLEDGES THAT PETER SHORE'S BRUSQUENESS DID NOT HELP MATTERS. THE BRITISH HAVE INFORMED THE FRENCH THAT THEY ARE PREPARED TO MOVE AHEAD NOW WITH THE WORK ENVISAGED IN THE RESOLUTION AND THEY CONSIDER THAT IT SHOULD BE POSSIBLE FOR THE NINE TO AGREE ON A TEXT IN SEPTEMBER. THEY BELIEVE THAT THE RESULTS OF THE JULY 23 COUNCIL HAVE COMPLICATED THE TASK OF ASSOCIATING FRANCE WITH IEP. END SUMMARY.

1. WE REVIEWED THE JULY 23 EC COUNCIL'S ABORTIVE DISCUSSION OF ENERGY POLICY WITH FENN, ENERGY DEPARTMENT, FCO. FENN SHOULD BE PROTECTED FULLY AS THE SOURCE OF THIS ACCOUNT OF THE MEETING.

2. FENN REGARDS THE COUNCIL'S FAILURE TO AGREE ON A RESOLUTION CONCERNING A COMMON ENERGY POLICY AS AN "UNNECESSARY" AND "EXTREMELY UNFORTUNATE" DEVELOPMENT. THE BRITISH OBJECTED TO SOME OF THE LANGUAGE IN THE COMMISSION'S DRAFT, BUT THEY WERE PREPARED TO COMPROMISE. FENN IS CONVINCED THAT WITH MORE TIME, THE NINE COULD HAVE PRODUCED AN AGREED TEXT. HE ATTRIBUTES THEIR FAILURE TO DO SO TO: A) THE FACT THAT NERVES WERE ALREADY FRAYED BY THE COUNCIL'S DISAGREEMENT OVER SUGAR; B) THE "BRUSQUE" WAY IN WHICH PETER SHORE HANDLED THE DISCUSSION; AND C) THE FACT THAT THE FRENCH CHAIRMAN ABRUPTLY TERMINATED THE DEBATE WHEN THE UK WAS PREPARED TO GO ON TALKING

3. ACCORDING TO FENN, THE UK CONSIDERED THE ENERGY POLICY PROPOSALS APPROVED BY THE COMMISSION IN MAY TO BE "THE BEST PIECE OF WORK THAT THE COMMISSION HAS PRODUCED

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LONDON 09486 01 OF 02 251759Z

ON THE SUBJECT SINCE BRITAIN JOINED THE COMMUNITY." THE BRITISH WERE ABLE TO GO ALONG WITH "A GREAT DEAL" OF WHAT THE COMMISSION HAD PROPOSED. THEIR MAIN RESERVATIONS

XGDS-1

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LONDON 09486 02 OF 02 251801Z

51

ACTION EUR-25

INFO OCT-01 EA-11 ISO-00 SAJ-01 AEC-11 AID-20 CEA-02

CIAE-00 CIEP-03 COME-00 DODE-00 EB-11 FEAE-00 FPC-01

H-03 INR-11 INT-08 L-03 NSAE-00 NSC-07 OMB-01 PM-07

RSC-01 SAM-01 SCI-06 SP-03 SS-20 STR-08 TRSE-00

FRB-03 LAB-06 SIL-01 PA-04 PRS-01 USIA-15 AGR-20

DRC-01 /216 W

----- 121330

R 251750Z JUL 74

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 2499

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LUXEMBOURG

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

AMEMBASSY TOKYO

USMISSION EC BRUSSELS

USMISSION OECD PARIS

C O N F I D E N T I A L SECTION 02 OF 02 LONDON 09486

RELATED TO THE COMMISSION'S "UNREALISTIC AND OVER
AMBITIOUS" TARGETS, AND ITS PROPOSAL ON THE ORGANIZATION
OF THE OIL INDUSTRY, WHICH THE BRITISH FOUND TOO FRENCH
AND DIRIGISTE.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 09486 02 OF 02 251801Z

4. THE BRITISH WERE VERY MUCH IN FAVOR OF HAVING THE JULY 22-23 COUNCIL ADOPT A RESOLUTION CONTAINING GENERAL OBJECTIVES BASED ON THE COMMISSION'S MAY PROPOSALS. THE NINE COULD THEN CONTINUE TO NEGOTIATE OVER THE DETAILS. THE LANGUAGE OF THE THREE-PAGE DRAFT RESOLUTION WHICH THE COMMISSION PRODUCED FOR THIS PURPOSE CAUSED SOME PROBLEMS FOR THE BRITISH, HOWEVER. THEY CONSIDERED THAT SOME OF THE PROPOSED LANGUAGE WENT TOO FAR IN COMMITTING THE COMMUNITY TO SPEAK WITH ONE VOICE IN INTERNATIONAL DISCUSSIONS ON ENERGY. THEY FELT THAT OTHER LANGUAGE IMPLIED AN EXTENSION OF THE COMMUNITY'S POWERS TO A DEGREE THAT WOULD BE INCONSISTENT WITH THE UK'S EC RENEGOTIATION STRATEGY. FENN SAID THAT THESE BRITISH CONCERNS WOULD HAVE BEEN JUST AS STRONG IF CALLAGHAN HAD CHAIRED THE UK DELEGATION INSTEAD OF SHORE. HE ACKNOWLEDGED, STRICTLY OFF-THE-RECORD, THAT CALLAGHAN MIGHT NEVERTHELESS HAVE HANDLED THE DISCUSSION WITH MORE FINESSE.

5. FENN SAID THAT THE UK HAS TOLD FRANCE THAT IT IS PREPARED TO PROCEED NOW WITH THE WORK CALLED FOR IN THE DRAFT RESOLUTION. THIS COULD PROCEED IN PARALLEL WITH FURTHER DISCUSSION OF THE RESOLUTION ITSELF. FENN IS CONFIDENT THAT THE COUNCIL CAN AGREE ON A TEXT IN SEPTEMBER.

6. MEANWHILE, HE ACKNOWLEDGES THAT THE OUTCOME OF THE JULY 23 COUNCIL HAS COMPLICATED THE TASK OF ASSOCIATING FRANCE WITH THE GROUP OF 12. THE PRESENT "EIGHT AGAINST THE UK" CONFIGURATION MEANS THAT THE FRENCH ARE UNDER LESS PRESSURE TO COMPROMISE WITH THE OTHER MEMBER STATES THAN THEY WERE BEFORE THE COUNCIL MEETING.

SOHM

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ENERGY, POLICIES, COMMITTEE MEETINGS, MEETING DELEGATIONS, IEP
Control Number: n/a
Copy: SINGLE
Draft Date: 25 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974LONDON09486
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X1
Errors: N/A
Film Number: D740202-0250
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740718/aaaaapmq.tel
Line Count: 205
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: EC BRUSSELS 5528
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 24 JUL 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24-Jul-2001 by kellerpr>; APPROVED <24 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UK VIEW OF THE JULY 23 EC COUNCIL DISCUSSION OF ENERGY STRATEGY
TAGS: ENRG, UK, FR, EEC
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005